

SB 830-1  
(LC 1691)  
3/18/19 (CDT/ps)

Requested by SENATE COMMITTEE ON BUSINESS AND GENERAL GOVERNMENT

**PROPOSED AMENDMENTS TO  
SENATE BILL 830**

1 On page 1 of the printed bill, delete lines 4 through 21 and delete pages  
2 2 through 4 and insert:

3 **“SECTION 1. Section 2 of this 2019 Act is added to and made a part  
4 of ORS chapter 471.**

5 **“SECTION 2. (1) As used in this section, ‘American viticultural  
6 area’ means a delimited grape growing region approved under 27  
7 C.F.R. part 9.**

8 **“(2) If a wine label bears the name of an American viticultural area  
9 that is located in this state and uses a single grape variety as a type  
10 designation, the Oregon Liquor Control Commission may require that:**

11 **“(a) At least 95 percent of the wine, by volume, be derived from the  
12 grape variety that is used on the label as the type designation; and**

13 **“(b) The percentage and name of each grape variety used be listed  
14 on the label as provided under 27 C.F.R. part 4.**

15 **“(3) The commission shall adopt rules identifying American  
16 viticultural areas for which the labeling requirements described in  
17 subsection (2) of this section apply. The commission shall, at a mini-  
18 mum, adopt rules to make the labeling requirements applicable to  
19 wines bearing the name of the Willamette Valley viticultural area that  
20 use Pinot noir as a type designation. For all other American  
21 viticultural areas, the commission shall solicit and consider recom-**

1 **mendations by Oregon winemaking industry associations associated**  
2 **with an American viticultural area before determining whether to**  
3 **identify the area by rule under this subsection. The commission may**  
4 **classify one or more grape varieties within an identified American**  
5 **viticultural area to be an exempt variety as provided under subsection**  
6 **(4) of this section.**

7 **“(4) Except as provided in this subsection, if the commission iden-**  
8 **tifies an American viticultural area by rule under subsection (3) of this**  
9 **section, the commission may classify one or more grape varieties used**  
10 **as a type designation within that area as an exempt variety. The**  
11 **commission may not classify Pinot noir grapes as an exempt variety.**  
12 **A wine that uses an exempt variety as a type designation on its label**  
13 **is not subject to the labeling restriction in subsection (2) of this sec-**  
14 **tion. However, at least 75 percent of the wine, by volume, must be**  
15 **derived from the exempt variety of grape as provided under 27 C.F.R.**  
16 **part 4. The commission shall solicit and consider recommendations by**  
17 **Oregon winemaking industry associations regarding whether a grape**  
18 **variety should be classified as an exempt variety.**

19 **“(5) Except as provided under subsections (2) to (4) of this section,**  
20 **if a wine label bears the name of an American viticultural area that**  
21 **is located in this state and uses a single grape variety as a type des-**  
22 **ignation:**

23 **“(a) At least 90 percent of the wine, by volume, must be derived**  
24 **from the grape variety used as the type designation; and**

25 **“(b) The percentage and name of each grape variety used must be**  
26 **listed on the label as provided under 27 C.F.R. part 4.**

27 **“(6)(a) The commission may adopt rules allowing a variance or ex-**  
28 **emption from labeling requirements under subsection (2) of this sec-**  
29 **tion to allow a winemaker to make use of an existing stock of labels.**

30 **“(b) The commission may not assess a penalty for failure to list a**

1 **wine variety on a label under subsection (2) of this section if the un-**  
2 **listed grape variety is less than one percent of the wine.**

3 **“SECTION 3. Section 2 of this 2019 Act applies to labels on wine**  
4 **bottled on or after January 1, 2023.**

5 **“SECTION 4.** Section 2 of this 2019 Act is amended to read:

6 **“Sec. 2.** (1) As used in this section, ‘American viticultural area’ means  
7 a delimited grape growing region approved under 27 C.F.R. part 9.

8 “(2) If a wine label bears the name of an American viticultural area that  
9 is located in this state and uses a single grape variety as a type designation,  
10 the Oregon Liquor Control Commission may require that **the wine be made**  
11 **entirely from the grape variety that is used on the label as the type**  
12 **designation.**[.]

13 *“[(a) At least 95 percent of the wine, by volume, be derived from the grape*  
14 *variety that is used on the label as the type designation; and]*

15 *“[(b) The percentage and name of each grape variety used be listed on the*  
16 *label as provided under 27 C.F.R. part 4.]*

17 “(3) The commission shall adopt rules identifying American viticultural  
18 areas for which the labeling requirements described in subsection (2) of this  
19 section apply. The commission shall, at a minimum, adopt rules to make the  
20 labeling requirements applicable to wines bearing the name of the  
21 Willamette Valley viticultural area that use Pinot noir as a type designation.  
22 For all other American viticultural areas, the commission shall solicit and  
23 consider recommendations by Oregon winemaking industry associations as-  
24 sociated with an American viticultural area before determining whether to  
25 identify the area by rule under this subsection. The commission may classify  
26 one or more grape varieties within an identified American viticultural area  
27 to be an exempt variety as provided under subsection (4) of this section **or**  
28 **a nonexclusive variety as provided under subsection (5) of this**  
29 **section.**

30 “(4) Except as provided in this subsection, if the commission identifies an

1 American viticultural area by rule under subsection (3) of this section, the  
2 commission may classify one or more grape varieties used as a type desig-  
3 nation within that area as an exempt variety. The commission may not  
4 classify Pinot noir grapes as an exempt variety. A wine that uses an exempt  
5 variety as a type designation on its label is not subject to the labeling re-  
6 striction in subsection (2) of this section. However, at least 75 percent of the  
7 wine, by volume, must be derived from the exempt variety of grape as pro-  
8 vided under 27 C.F.R. part 4. The commission shall solicit and consider rec-  
9 ommendations by Oregon winemaking industry associations regarding  
10 whether a grape variety should be classified as an exempt variety.

11 **“(5) Except as provided in this subsection, if the commission iden-**  
12 **tifies an American viticultural area by rule under subsection (3) of this**  
13 **section, the commission may classify one or more grape varieties used**  
14 **as a type designation within that area as a nonexclusive variety. The**  
15 **commission may not classify Pinot noir grapes as a nonexclusive va-**  
16 **riety. A wine that uses a nonexclusive variety as a type designation**  
17 **on its label is not subject to the labeling restriction in subsection (2)**  
18 **of this section. However, at least 95 percent of the wine, by volume,**  
19 **must be derived from the exempt variety of grape as provided under**  
20 **27 C.F.R. part 4. The percentage and name of each grape variety used**  
21 **must be listed on the label as provided under 27 C.F.R. part 4. The**  
22 **commission shall solicit and consider recommendations by Oregon**  
23 **winemaking industry associations regarding whether a grape variety**  
24 **should be classified as a nonexclusive variety.**

25 “[5] (6) Except as provided under subsections (2) to [(4)] (5) of this sec-  
26 tion, if a wine label bears the name of an American viticultural area that  
27 is located in this state and uses a single grape variety as a type designation:

28 “(a) At least 90 percent of the wine, by volume, must be derived from the  
29 grape variety used as the type designation; and

30 “(b) The percentage and name of each grape variety used must be listed

1 on the label as provided under 27 C.F.R. part 4.

2 “[~~(6)(a)~~] **(7)(a)** The commission may adopt rules allowing a variance or  
3 exemption from labeling requirements under subsection (2) of this section to  
4 allow a winemaker to make use of an existing stock of labels.

5 “[~~(b)~~] *The commission may not assess a penalty for failure to list a wine*  
6 *variety on a label under subsection (2) of this section if the unlisted grape*  
7 *variety is less than one percent of the wine.*]

8 **“(b) The commission may not assess a civil penalty for a violation**  
9 **of subsection (2) of this section if the violation results from the pres-**  
10 **ence of rogue vines in a vineyard and at least 99 percent of the wine**  
11 **produced from grapes grown in that vineyard is from the grape variety**  
12 **used as a type designation.**

13 **“SECTION 5. The amendments to section 2 of this 2019 Act by sec-**  
14 **tion 4 of this 2019 Act become operative January 1, 2030, and apply to**  
15 **labels on wine bottled on or after that date.**

16 **“SECTION 6. (1) The Oregon Liquor Control Commission shall ap-**  
17 **point an advisory committee to assist the commission in developing**  
18 **rules to carry out section 2 of this 2019 Act. The commission shall**  
19 **ensure that members of the advisory committee are persons having**  
20 **expertise in the production and labeling of Oregon wines. To the ex-**  
21 **tent practicable, the commission shall appoint advisory committee**  
22 **members from the various wine growing areas of this state in pro-**  
23 **portion to the relative acreage in those areas used for wine grape**  
24 **production. In making appointments to the advisory committee, the**  
25 **commission shall consider nominees of Oregon winemaking industry**  
26 **associations or other organizations related to the winemaking indus-**  
27 **try.**

28 **“(2) The duties of the advisory committee shall include, at a mini-**  
29 **imum, developing recommendations to the commission regarding:**

30 **“(a) Standards for a winery to request, and for the commission to**

1 approve, the use of existing stocks of labels;

2 “(b) Subject to subsection (3) of this section, American viticultural  
3 areas for which the label requirements of section 2 (2) of this 2019 Act  
4 should apply, including but not limited to recommendations regarding  
5 any American viticultural areas that extend across state lines;

6 “(c) Which grape varieties should receive classification under sec-  
7 tion 2 of this 2019 Act as exempt varieties;

8 “(d) Which grape varieties should, when the classification becomes  
9 available, receive classification under section 2 of this 2019 Act as  
10 nonexclusive varieties;

11 “(e) Appropriate standards for labels of single-variety wines that  
12 are not subject to section 2 of this 2019 Act; and

13 “(f) A penalty schedule for violations of section 2 of this 2019 Act.

14 “(3) The advisory committee shall solicit and consider recommen-  
15 dations by Oregon winemaking industry associations associated with  
16 an American viticultural area before the advisory committee may re-  
17 commend to the commission that an area be subject to the labeling  
18 requirements described in section 2 (2) of this 2019 Act.

19 “SECTION 7. The Oregon Liquor Control Commission shall adopt  
20 rules establishing a penalty schedule for violations of section 2 of this  
21 2019 Act. The commission shall complete the adoption of an initial  
22 penalty schedule under this section in time for the penalties to take  
23 effect January 1, 2023.

24 “SECTION 8. The Oregon Liquor Control Commission shall report  
25 to an interim committee of the Legislative Assembly relating to busi-  
26 ness in the manner provided under ORS 192.245 no later than Septem-  
27 ber 15, 2020, regarding the recommendations made by the advisory  
28 committee described in section 6 of this 2019 Act and the status of  
29 commission rule adoption proceedings under sections 2 and 7 of this  
30 2019 Act.

1       **SECTION 9. Section 6 of this 2019 Act is repealed on January 2,**  
2       **2024.**

3       **SECTION 10. Section 7 of this 2019 Act is repealed on January 2,**  
4       **2024. The repeal of section 7 of this 2019 Act by this section does not**  
5       **affect the validity of any rules adopted under section 7 of this 2019 Act.**

6       **SECTION 11. This 2019 Act takes effect on the 91st day after the**  
7       **date on which the 2019 regular session of the Eightieth Legislative**  
8       **Assembly adjourns sine die.”.**

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